

### **COUNTY OF SAN DIEGO**

#### LAND USE AGENDA ITEM

GREG COX First District

DIANNE JACOB Second District

KRISTIN GASPAR Third District

RON ROBERTS

BILL HORN

**DATE:** February 15, 2017

01

**TO:** Board of Supervisors

SUBJECT: COMPREHENSIVE RENEWABLE ENERGY PLAN (CREP) PHASE ONE

REPORT (DISTRICTS: ALL)

#### Overview

This is a request for the Board of Supervisors (Board) to consider and accept the Comprehensive Renewable Energy Plan (CREP) Phase One Report. On April 10, 2013 (3), the Board directed the Chief Administrative Officer (CAO) to develop options for a comprehensive renewable energy plan, prepare a work plan including time and cost estimates and return to the Board within 120 days. On September 11, 2013 (4), staff returned with a work plan and the Board continued the item to September 25, 2013 (1). On September 25, 2013 (1), the Board directed the CAO to initiate Phase One of the comprehensive renewable energy work plan and return to the Board within 14 months of executing all required consultant service contracts; established appropriations of \$300,000; directed the Director of Planning & Development Services (PDS) to form a Renewable Energy Advisory Committee; and directed staff to prepare a "pipelining" provision for renewable energy permit applications (Attachment A).

Based on the Board's direction, staff is providing the completed CREP Phase One Report (Report) (Attachment B) and seeking direction on which recommendations, if any, should be considered for a CREP Phase Two; the Board can choose one option, some, or none at all.

During Phase One, 17 recommendations were identified for the County of San Diego (County) to consider as part of a long-range strategic renewable energy plan. Staff, with input from the Director-appointed Technical Advisory Committee (TAC), determined that 11 of the 17 consultant recommendations could be the most effective for the Board to consider in a CREP Phase Two. On October 14, 2016, the Planning Commission considered the Report and concurred with 11 consultant recommendations with two modifications as described in this Board Letter (refer to Attachment C for the Planning Commission Staff Report).

Eight of the 11 consultant recommendations supported by the Planning Commission would require no additional appropriations. The remaining three recommendations would require consultant services, which would require Board approval of detailed scopes of work, including costs, schedules, and appropriations of funds. The Planning Commission did not support the final six recommendations, and, if directed by the Board to complete them, would require staff to

prepare work programs and cost estimates for the Board's consideration.

To address the "pipelining" provision directed by the Board, staff determined there are two existing regulations in the County's Zoning Ordinance and California Government Code that provide "pipelining" protection for discretionary renewable energy permit applications.

#### **Recommendation(s)**

#### PLANNING COMMISSION

The Planning Commission considered the consultant Report and recommended that the Board consider 11 of the 17 recommendations with modifications to items 1. and 4. shown in italics below for CREP Phase Two.

- 1. Prepare a Community Choice Aggregation Feasibility Study: As the County reviews Community Choice Aggregation, the feasibility study should be evaluated by a third party, include a review of Direct Access and include a review of the role of the utilities.
- 2. Track Community Solar and Wind Initiatives in the County.
- 3. Prepare a Microgrid Feasibility Study.
- 4. Prepare Renewable Energy Design and Development Guidelines and Zoning Regulations Applicable to the Unincorporated County: *An approach to the energy overlay zone should include an analysis of the environmental impacts, quality of life impacts and cost/benefit impacts.*
- 5. Increase the County's Renewable Energy Generation, Transmission, Use and Storage.
- 6. Develop Strategies to Address Barriers to Alternative Fuel Deployment.
- 7. Promote Vetted Renewable Energy Finance Mechanisms, such as Property Assessed Clean Energy Programs, Bonds, Peer-to-Peer Lending or Crowdfunding, among others.
- 8. Develop and Implement a Renewable Energy Education and Outreach Strategy.
- 9. Develop and Implement a Strategy to Support Renewable Energy Legislation that Benefits San Diego County.
- 10. Establish a Sustainability Task Force within the County's Existing Organizational Framework.
- 11. Participate in the Creation of a New Regional Energy Network.

#### DEPARTMENT OF PLANNING & DEVELOPMENT SERVICES

Planning & Development Services (PDS) recommends the following actions:

1. Find in accordance with Section 15262 of the California Environmental Quality Act (CEQA) Guidelines that today's actions are statutorily exempt from CEQA because they involve feasibility or planning studies for possible future actions that the Board has not

approved, adopted or funded and have no legally binding effect on later activities; and find in accordance with Section 15061(b)(3) that today's actions are exempt from CEQA pursuant to the general rule since it can be see with certainty that there is no possibility that today's actions may have a significant effect on the environment.

- 2. Accept the CREP Phase One Report.
- 3. Provide direction on which, if any, recommendations should be considered for a Phase Two of the CREP.
- 4. Find that the County's Zoning Ordinance and California Government Code provide "pipelining" protection for discretionary renewable energy project applications.

#### Fiscal Impact

There is no fiscal impact associated with accepting the CREP Phase One Report; there will be no change in net General Fund cost and no additional staff years to complete CREP Phase One.

There is no fiscal impact associated with directing Phase Two of the CREP. There are no additional costs associated with initiating the recommendations that would be undertaken by County staff; there are no additional costs associated with staff preparing detailed work plans, cost estimates and schedules for any items that require consultant services. There will be no change in net General Fund cost and no additional staff years.

If the Board approves further studies as part of CREP Phase Two, the estimated cost is \$900,000 in one-time funding that would be requested from Fiscal Year 2018-19 General Fund fund balance for preparing the Community Choice Aggregation feasibility study (estimated cost of \$200,000), the microgrid feasibility study (estimated cost of \$200,000) and the design and development guidelines/overlay district (estimated cost of \$500,000). If the Board approves other studies requiring consultant services, then any associated costs would be estimated through preparation of work plans.

#### **Business Impact Statement**

N/A

#### **Advisory Board Statement**

N/A

#### **Involved Parties**

County of San Diego

#### **Planning Commission Vote**

On October 14, 2016, the Planning Commission voted 4-0-3 (Ayes: Brooks, Beck, Seiler and Norby; Noes: none; Absent: Woods, Barnhart, Pallinger) to recommend the 11 programs with two modifications.

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REPORT (DISTRICTS: ALL)

#### **BACKGROUND:**

#### **Regional Renewable Energy Context**

Local government agencies in southern California, including the San Diego Association of Governments (SANDAG), surrounding communities, regional networks, San Diego Gas & Electric (SDG&E) and the County, have taken steps to identify and address renewable energy opportunities and constraints.

#### SANDAG

In 2003, SANDAG formed the Regional Energy Working Group to provide input on strategies and plans for regional energy needs. From 2011 to 2015, SANDAG's Energy Roadmap Program provided free energy assessments and management plans to all 17 San Diego cities. Each plan provides guidance for local governments to reduce energy use in their municipal operations and in the community. SANDAG also developed the Regional Alternative Fuels, Vehicles, and Infrastructure Report (2009) and San Diego Regional Plug-In Electric Vehicle Readiness Plan (2014) that included recommendations and resources to minimize barriers to alternative fuel deployment. SANDAG initiated the development of a San Diego Regional Energy Network with the cities of Chula Vista and San Diego, the County, and the San Diego Unified Port District to access State-mandated funds for energy efficiency programs.

#### Surrounding Communities' Initiatives

Several communities in and around the county have undertaken studies on renewable energy initiatives. In terms of land use policies, the counties of Imperial, Butte and Sonoma are exploring solar overlay zones including site design standards and development regulations. On a smaller scale, community solar programs are being implemented by Community Housing Works, the San Diego Community Housing Corporation, and Father Joe's Villages to provide solar energy for specific affordable housing facilities.

The City of Solana Beach recently completed a Community Choice Aggregation (CCA) feasibility study and is now evaluating proposals for a third party administrator. The City of San Diego is also finalizing their CCA feasibility study to determine next steps. Los Angeles County recently completed a CCA feasibility study and is considering a joint powers agreement with surrounding jurisdictions.

Nonprofit organizations such as the California Center for Sustainable Energy are information resources for policymakers, regulators, public agencies and businesses regarding sustainable energy solutions. Several jurisdictions such as Los Angeles and Santa Clara counties and the City of Los Angeles have established Offices of Sustainability to consolidate staff resources and provide one point of contact for stakeholders. Locally, the City of San Diego has identified a Chief Sustainability Officer, who is responsible for implementing the City's Climate Action Plan (CAP) goals.

Seven cities have adopted CAPs and another seven communities, including the County, are developing or updating their plans. The Cities of San Diego, Del Mar, and Carlsbad have committed to energy efficiency goals to reduce greenhouse gas emissions. In general, they have committed to reducing energy consumption; increasing the number of zero emissions vehicles in their fleet; increasing public education and outreach; supporting financing opportunities for

renewable energy projects; adopting progressive fee schedules for projects that meet renewable energy standards; and, promoting photovoltaic systems and building cogeneration. Some cities are developing streamlined permitting and standardized design guidelines and siting criteria for all types of electric charging stations.

#### SDG&E Renewable Energy Strategy

SDG&E is a regulated public utility that provides service in San Diego and Orange counties. Their renewable energy and energy efficiency strategies/goals include the following: 1) 40% of SDG&E's energy portfolio is from renewable sources (January 2017); 2) 50% to 100% of clean energy is available to ratepayers, up to 60 megawatts by 2019, through SDG&E's EcoChoice and Share the Sun programs; 3) SDG&E's Power Your Drive program seeks to install 3,500 electric vehicle (EV) charging stations within SDG&E's service area; 4) Borrego Springs Microgrid supplies clean and reliable energy to 2,800 customers; and 5) Local Government Partnerships promote community-wide energy efficiency opportunities. Staff continues to engage with SDG&E as part of the Local Government Partnership. A summary of SDG&E's related efforts are included in Attachment D.

#### County Achievements

The County has demonstrated regional leadership in promoting sustainable renewable energy development in the unincorporated communities. For example, the County has designed a Green Building Incentive Program that promotes using resource efficient construction materials, water conservation and energy efficiency in new and remodeled residential and commercial buildings.

The County also amended the Building Code to promote photovoltaics (PV), wind energy and EV charging systems. The permitting process has been expedited for small, residential rooftop solar permits. To assist residents with financing rooftop solar, the County participates in five different Property Assessed Clean Energy (PACE) programs that support loans for energy efficiency, water efficiency and renewable energy upgrades that are repaid through annual property tax bills. Since the adoption of the Wind Ordinance Amendment in 2013, the County has approved one large-scale and four residential wind projects.

The County's 2015-2020 Strategic Energy Plan provides a road map to minimize the County's utility consumption and costs while encouraging staff and residents to reduce energy and water consumption. Board Policy G-15 – Design Standards for County Facilities and Property requires all large new County buildings to obtain U.S. Green Building Council LEED Certification. Additionally, the County has recently opened the Zero Net Energy Alpine Library and will soon open the Imperial Beach Library, which will also be a Zero Net Energy facility.

The County participates in Direct Access purchasing of electricity, of which 25% is renewable energy. The Board also authorized County staff to proceed with Power Purchase Agreements for a potential of 13 megawatts of PV systems and one or more battery storage facilities to be installed at multiple County facilities. To date, approximately 37 EV charging ports have been installed at 10 County sites.

For these accomplishments and others, the County has been recognized through sustainability certifications and awards. Attachment E summarizes the County's existing renewable energy

programs, efforts and achievements.

#### San Diego County Climate Action Plan

The County is currently preparing a Climate Action Plan (CAP) after the previous CAP was rescinded following litigation. The CAP is a separate, but related, effort from the CREP; increasing renewable energy is one action the County can take to reduce greenhouse gas emissions, which is being analyzed and addressed programmatically in the CAP.

The CAP will include goals and objectives for the County and an analysis of the environmental impacts and greenhouse gas emissions reduction potential for each recommendation. The CAP will also include strategies, measures and actions to reduce greenhouse gas emissions within the unincorporated County, as well as from County operations. Greenhouse gas reductions are anticipated from the following five sectors: built environment/transportation, energy, solid waste, agriculture/open space and water/wastewater.

The County is analyzing the following energy-related strategies in developing the CAP: 1) Increase building efficiency; 2) Increase renewable energy generation and use; and 3) Support building efficiency and renewable energy through administrative and financial programs. These strategies would apply to County operations (facilities and buildings). For the unincorporated County communities, the strategies could take the form of new ordinances, resolutions or policies.

#### **Development of the Phase One Report**

The development and evaluation of the consultant-prepared Report included establishing an integrated staff team and forming the TAC.

#### County Staff Team

An integrated County team was formed to provide technical input and represent the breadth of knowledge, interests and programs underway within the County. The team is engaged in preparing the CAP and evaluating the CREP Phase One Report; they meet regularly to collaborate on climate planning best practices, including specific policies and programs related to renewable energy initiatives in the unincorporated communities. The team provided technical input for the Report and on the group's potential role moving forward. The team includes representatives from the following Departments: 1) Planning & Development Services; 2) Air Pollution Control District; 3) Department of General Services; 4) Department of Public Works; 5) Office of Emergency Services; 6) Department of Agriculture, Weights and Measures; 7) Department of Parks and Recreation; 8) Health & Human Services Agency; 9) Department of Environmental Health; 10) Department of Human Resources; and 11) Office of County Counsel.

#### Technical Advisory Committee

The Director of PDS appointed a TAC that included renewable energy experts. The members included:

- 1. Peder Norby, Committee Chair, San Diego County Planning Commissioner;
- 2. Craig Benedetto, Committee Vice Chair, San Diego Regional Chamber of Commerce:
- 3. Corinne Lytle Bonine, Chambers Group (formerly with URS Corporation);
- 4. Douglas Kot, DNV GL;
- 5. John Reaves, Attorney;
- 6. Jason Anderson, Cleantech San Diego;
- 7. Ken Parks, San Diego Gas & Electric; and
- 8. Richard Caputo, San Diego State University.

The TAC focused on the technology of the renewable energy industry and members provided technical expertise on various renewable energy topics. The TAC met four times and reviewed the consultant reports and technical information. During these discussions, the TAC reviewed the 16 consultant recommendations. The TAC also developed one additional item to be considered for a total of 17.

#### PROJECT ISSUES:

The Report Summary includes an overview of the existing renewable energy initiatives in the County and opportunities for greater efficiencies. In accordance with the Board's direction for Phase One, a macroeconomic analysis was completed to evaluate how changes in investments and technologies could benefit jobs, incomes and net gains in the renewable energy industry in San Diego County. The economic analysis concludes that as energy generated by renewable energy increases, the net energy savings for consumers and jobs created also increases.

Staff evaluated the 17 consultant recommendations, with input from the TAC, and 11 were subsequently recommended by the Planning Commission. The following table summarizes the 17 recommendations for Phase Two and separates them into three groups. Items one through eight include those that can be completed by staff as part of existing workload. Items nine through 11 include those that require staff to complete detailed work programs and cost estimates for consultant services for Board consideration at a future Board meeting. Items 12 through 17 include the items that were not supported by the Planning Commission. These items would require Board approval for staff to implement and/or prepare work programs and cost estimates for consultant services for consideration at a future Board meeting.

No.	Consultant Recommendation No Additional Funding	Description or Appropriations Required
1.	Establish a Sustainability Task Force within the County's Existing Framework	The County team that is currently meeting would continue to study renewable energy initiatives and programs to assess their potential for implementation. This is recommended to ensure on-going collaboration and consolidate the sustainability efforts within the County.
2.	Track Community Solar and Wind Initiatives in the County	Community solar and wind initiatives make renewable energy accessible to residents that do not otherwise have access (e.g. financial constraints, renters). By tracking these initiatives, the County can create a centralized database to evaluate opportunities and provide more effective outreach for residents.
3.	Increase the County's Renewable Energy Generation, Transmission, Use and Storage	The County could increase its renewable energy generation, transmission, use and storage through new and existing programs. This could include electric vehicles and charging stations, increasing energy storage facilities and other initiatives in line with the Strategic Energy Plan and other County plans.
4.	Develop Strategies to Address Barriers to Alternative Fuel Deployment	By developing strategies to promote alternative fuel and electric vehicles, the County could identify ways to encourage access to alternative fuel infrastructure. This would encourage renewable energy development in the County.
5.	Promote Vetted Renewable Energy Finance Mechanisms, such as Property Assessed Clean Energy Programs, Bonds, Peer-to-Peer Lending or Crowdfunding	This includes identifying renewable energy financing programs to provide access to renewable energy equipment. The County currently supports five PACE programs. These finance options can help consumers overcome financial constraints.

6.	Develop and Implement a Renewable Energy Education and Outreach Strategy	Public outreach and education will allow the public to be better informed about opportunities for renewable energy and the County's initiatives.	
7.	Develop and Implement a Strategy to Support Renewable Energy Legislation that Benefits San Diego County	Technology in the industry is rapidly changing. Staff would work with Office of Strategy and Intergovernmental Affairs to develop potential new legislative statements for Board consideration as part of the Board's annual legislative program and track regulatory decisions.	
8.	Participate in the Creation of a new Regional Energy Network (REN)	Using the State-mandated, utility assistant program funds, a regional energy network would develop programs that promote energy efficiency based on local need. These could include, but are not limited to, water pumps for agricultural efficiencies, vouchers for home energy improvements and training on efficiency standards.	
	Additional Funding o	or Appropriations Required	
9.	Prepare a Community Choice	A feasibility study for a CCA would evaluate if the County procuring energy could be cost effective and result in consumer savings. The County could be the community choice aggregator or could work with surrounding communities and form a joint powers authority. The existing provider for transmission and distribution services would not change. The study would determine if a CCA is a feasible option for consumers in the county.  If directed by the Board, staff would return with a detailed scope of work and costs; the estimated consultant cost is \$200,000 and could be included in the Fiscal Year 2017-18 Advance Planning work program.	

10.	Prepare a Microgrid Feasibility Study	A microgrid generates and transmits energy as part of the main grid, but if needed, it can disconnect and operate autonomously (e.g. maintenance, emergencies). The feasibility study would identify potential sites for microgrids that would promote renewable energy use, storage and security. The costs and benefits of constructing and operating the microgrids in the County would be analyzed.  If directed by the Board, staff would return with a detailed scope of work and costs; the estimated consultant cost is \$200,000 and could be included in the Fiscal Year 2018-19 Advance Planning work program.	
11.	Prepare Renewable Energy Design and Development Guidelines and Zoning Regulations Applicable to the Unincorporated County	The design guidelines and zoning overlay could help ensure that major renewable energy projects are properly sited and designed to minimize impacts on the community and streamline the permitting process.  If directed by the Board, staff would return with a detailed scope of work and costs; the estimated consultant cost of the project and environmental review process is estimated at \$500,000 and could be included in the Fiscal Year 2018-19 Advance Planning work program.	
	Recommendations Not Suppo	orted by the Planning Commission	
12.	Amend the General Plan and Add an Energy Element	The Energy Element would consolidate energy-related policies into one Plan Element and would require a General Plan Amendment. Because the General Plan, Strategic Energy Plan and pending Climate Action Plan, established by the Board, provide extensive and adequate goals, objectives and implementing actions, the Energy Element would be redundant.  No additional funding or appropriations are required.	

13.	Develop a Solar Energy Workforce Development Initiative	This would promote training and development of a solar energy workforce. The private sector currently offers training and the County can collaborate with our partners to promote such training.  No additional funding or appropriations are required.		
14.	Build an Energy Assurance Plan	This is an emergency management plan that ensures key assets remain operational during a power outage. This would have a high cost and would be duplicative of SDG&E's on-going efforts and the County's Multi-Jurisdictional Hazard Mitigation Plan. The Plan would not directly encourage renewable energy development.  Consultant services would be required; a work program including scope, schedule and cost estimate would be prepared for the Board's consideration.		
15.	Establish a Renewable Energy Group Procurement Initiative	This initiative is a regional effort that purchases renewable energy equipment such as rooftop solar photovoltaic (PV) panels for public agencies. There is a low return on investment as it is both time and cost intensive.  Consultant services would be required; a work program including scope, schedule and cost estimate would be prepared for the Board's consideration.		

16.	Develop a Building Energy Disclosure Program	This program would require that a building's energy efficiency and energy use be disclosed at the time of sale. Significant staffing and financial resources would be needed to develop and implement this program.  Consultant services would be required; a work program including scope, schedule and cost estimate would be prepared for the Board's consideration.
17.	Promote More Aggressive Building Standards Including the Significant Retrofit of Existing Buildings	Current energy efficiency standards in require a high level of energy efficiency. The County has recently amended the Building Code to promote renewable energy initiatives and streamline the process for residential permits.  Consultant services would be required; a work program including scope, schedule and cost estimate would be prepared for the Board's consideration.

During preparation of the Report, two project issues were raised: community choice aggregation and the renewable energy overlay zone. The stakeholder feedback received on these issues is summarized below.

#### **Community Choice Aggregation (CCA)**

CCAs allow local governments and some special districts to aggregate the buying power of individual customers within a defined area to secure alternative energy supply. The Investor-Owned Utility (IOU) remains responsible for distributing, maintaining and creating the grid of the future and providing billing services to all customers including those in a CCA. Stakeholders generally supported CCAs and recommended the County collaborate with other jurisdictions. The Report identifies benefits and risks of the CCA. Benefits could include lower consumer rates, increased local control of energy management and reinvestment of ratepayer revenue, access to renewable resources and greenhouse gas emissions reductions. Risks include rapidly evolving legislation and California Public Utilities Commission (CPUC) requirements, major power market price changes, customers choosing to remain with the IOU and Power Charge Indifference Adjustment fees or "exit fees". During stakeholder engagement, members of the pubic generally supported programs that increase consumer choice such as a CCA program. Members of the TAC and Planning Commission raised questions on the governance structure and oversight, financial risks to the County and consumer, measurements of success of existing CCAs, and the role of the utility and government. A feasibility study could evaluate these topics.

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REPORT (DISTRICTS: ALL)

#### Renewable Energy Overlay Zone

Overlay zoning is a regulatory tool used to protect sensitive land uses. An overlay zone establishes zoning and development standards to address unique conditions for a specific geographic area and particular types of land use and development activities. In this case, an overlay could be used to establish design guidelines and criteria for renewable energy projects in areas where renewable energy resources are more prevalent. The overlay zone would be developed with community input and careful analysis of environmental conditions to guide projects to areas with the least impacts and streamline the permitting process by providing guidance in locating and designing renewable energy facilities. Residents in the Boulevard, Jacumba and Campo/Lake Morena Community Planning areas voiced opposition to a renewable energy overlay zone if it would prioritize large, utility-scale renewable energy infrastructure in rural, environmentally sensitive areas.

#### **Pipelining Provision**

On September 25, 2013 (1), the Board directed staff to prepare a "pipelining" provision. This would mean that any application for a discretionary renewable energy project filed prior to new rules taking effect should be governed by existing rules; new rules should not be retroactively applied.

Staff determined there are existing County and State regulations that apply to existing applications being processed by PDS. The County's Zoning Ordinance states that any application for a permit or other approval regulated by the County Zoning Ordinance is required to meet the provisions of the Ordinance in effect on the date that application was deemed complete. An application is deemed complete 30 days following the date it was submitted, unless additional information is needed and the applicant is notified. The California Government Code includes a "pipelining" provision for approvals of tentative maps under the Subdivision Map Act. This requires that a local agency only apply only those ordinances, policies and standards in effect at the date the application is complete. The Board should determine if these two existing provisions provide adequate "pipelining" provisions for discretionary renewable energy permit applications.

#### **ENVIRONMENTAL STATUS:**

Accepting the CREP Phase One Report and obtaining the Board's direction for further actions are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15262 because they involve feasibility or planning studies for possible future actions that the Board has not approved, adopted, or funded and have no legally binding effect on later activities.

The CREP Phase One Report is an assessment of strategies and components of renewable energy plans. Accepting this report does not commit the County to any definitive course of action as would have no potential for resulting in a significant physical change or effect on the environment, directly or indirectly. Subsequent actions would be reviewed pursuant to CEQA and presented to the Board for consideration prior to implementation.

Accepting the Report and obtaining the Board's direction for further actions is also exempt from CEQA pursuant to Section 105061(b)(3) of the CEQA Guidelines as it would have no potential

for resulting in physical change to the environment, directly or indirectly. It can also be seen with certainty that there is no possibility that the Board's direction for the CAO to initiate work on any of the recommendations identified in the Report may have a significant effect on the environment.

Therefore, it can be seen with certainty that there is no possibility that today's actions may have a significant effect on the environment and is exempt or is not subject to CEQA.

#### **PREVIOUS ACTIONS:**

On April 10, 2013 (3), the Board directed the CAO to research and develop options for a CREP, prepare a work plan, including time and cost estimates and return to the Board within 120 days. On September 11, 2013 (4) and September 25, 2013 (1), the Board: 1) received a presentation on options for a CREP Phase One work plan; 2) found that implementing the CREP Phase One work plan is categorically exempt from the CEQA; 3) directed the CAO to initiate the CREP Phase One work plan and return to the Board within 14 months of executing all required consultant service contracts; 4) established appropriations of \$300,000 of one-time funding in PDS; 5) directed the PDS Director to form a Technical Advisory Committee; and 6) directed the CAO to prepare a "pipelining" provision for discretionary renewable energy projects.

#### **PUBLIC INPUT:**

PDS staff discussed the project and technical reports with the Community Planning Group/Sponsor Group Chairs in August 2016 and held public workshops in Valley Center and Boulevard/Jacumba in September 2016. Stakeholders were also updated during several CAP outreach events, including individual stakeholder meetings, group visioning sessions and public workshops. A comment letter was received from the Boulevard Community Planning Group on October 13, 2016. The group recommended limiting a renewable energy overlay zone to existing commercial and industrial zones. They also highlighted the lack of community representation on the TAC. Finally, they supported efforts to increase on-site generation and legislation to lift the cap on Net Energy Metering (Attachment G).

At the Planning Commission hearing on October 14, 2016, public testimony was heard from eight speakers. Public comment is summarized in the order they appeared at the Planning Commission:

- 1. The President of J. Whalen Associates, Inc. supported CREP Phase One Report and suggested prioritizing and investigating further electric vehicles, determining the potential for renewable energy zones, increasing the County's renewable energy use, microgrids, energy storage and collaborating with SDG&E on legislative outreach. The speaker recommended the County investigate options for CCA governing structures.
- 2. A volunteer with SanDiego350 supported CREP Phase One Report and efforts to conduct a CCA feasibility study with regional partners.
- 3. A member of the Industrial Environmental Association spoke in support and recommended investigating governance accountability as it relates to CCAs.

- 4. The Executive Director of Policy and Economic Research with the San Diego Regional Chamber of Commerce supported the goal of CREP Phase One and recommended that a greenhouse gas emissions reductions analysis be used to prioritize measures.
- 5. A representative from the San Diego Taxpayer's Association supported previous comments and noted the importance of analyzing costs and benefits of the various choices moving forward.
- 6. A member of the Cleveland National Forest Board of Directors supported the recommendation for a CCA feasibility study. The speaker recommended urban growth boundaries to meet greenhouse gas emissions reductions targets.
- 7. A representative from SDG&E noted the utility is prohibited by the CPUC from commenting on CCA, and provided general support for the goal of CREP to increase renewable energy in San Diego County.
- 8. The Campo Lake Morena Community Planning Group Chair commented that soil sequestration should be analyzed as part of the CREP and CAP efforts.

On December 1, 2016, at the request of the San Diego Regional Chamber of Commerce, staff presented to the Chamber's Energy & Water Subcommittee. On December 22, 2016, the San Diego Regional Chamber of Commerce provided a letter of support for the County's CREP Phase One Report (Attachment G).

#### LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN:

The requested action is consistent with County of San Diego's 2017-2022 Strategic Plan. If directed by the Board, further actions as identified in this report could increase renewable energy initiatives and use in San Diego County. This action supports the Sustainable Environments Initiative by providing and promoting services that increase consumer and business confidence. This action also supports the Operational Excellence Initiative by aligning services to available resources to maintain stability.

Respectfully submitted,

SARAH E. AGHASSI

Sarah Agli

Deputy Chief Administrative Officer

#### ATTACHMENT(S)

- Attachment A Minute Orders for April 10, 2013, September 11, 2013, and September 25, 2013
- Attachment B CREP Phase One Report
- Attachment C-Planning Commission Staff Report, October 14, 2016
- Attachment D Summary of SDG&E Renewable Energy Programs and Efforts
- Attachment E Summary of County Achievements in Renewable Energy
- Attachment F Additional Correspondence (Boulevard Community Planning Group Letter October 13, 2016 and San Diego Regional Chamber of Commerce Letter of Support December 22, 2016)

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### AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES:	[]	Yes	[X]	No
WRITTEN DISCLOSURE PER ( [ ] Yes [X] No	COUNT	Y CHA	ARTER	SECTION 1000.1 REQUIRED
PREVIOUS RELEVANT BOARI April 10, 2013 (3), Comprehensive September 11, 2013 (4) and September 11	Renewa	ble Ene		
<b>BOARD POLICIES APPLICABL</b> N/A	E:			
BOARD POLICY STATEMENTS N/A	S:			
MANDATORY COMPLIANCE: N/A				
ORACLE AWARD NUMBER(S) NUMBER(S): N/A	AND (	CONTR	ACT A	AND/OR REQUISITION
ORIGINATING DEPARTMENT	: Planni	ng & D	evelopn	nent Services
DEPARTMENT OF General Services Department of Public Works Office of Strategy and Intergovernmental Affairs				
CONTACT PERSON(S):				
Mark Wardlaw			Laurel	Lees
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858-694-2692			619-34	-6-2333
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F_mail			F_mail	